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HD **Teck Resources pullback a wake-up call for Canada on climate, energy; After weeks of blockades spurred by opposition to the Coastal GasLink project, Teck was likely scared of becoming the target of the next round of protests**

BY Kelly Cryderman
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The federal Liberals might think they have dodged a bullet with the news they won't have to make a decision on whether to approve a massive new oil sands mine. But really they have just kicked the can down the road.

Teck Resources Ltd.'s notice late Sunday that it's withdrawing the application for its Frontier oil sands mine project is a corporate call for clarity from Canadian governments on finding agreement on climate policy and responsible energy-sector development.

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"Without clarity on this critical question, the situation that has faced Frontier will be faced by future projects and it will be very difficult to attract future investment, either domestic or foreign," a letter from the company to the federal Environment Minister said.

Both sides of the energy and environment debate can argue the letter bolsters their arguments. After weeks of blockades spurred by opposition to the Coastal GasLink project, Teck was likely scared of becoming the target of the next round of protests.

But it also seems patently clear the letter advises the country to stop its internal squabbling and get its act together.

The Liberals have promised to get the country to net-zero emissions by 2050. While they are using this pledge as a guiding policy, there is no specific plan for how to get there – and no clarity on what sacrifices Canada's resource-dependent regions will have to make.

Ottawa is being coy with the issue of future oil sands development. It has made climate change a key mandate of its second term, and is wistfully playing down how much of Canada's economy is based on the resource sector. Given how oil sands approvals would appear to its political base, the Liberals do not want to say yes to anything like the Teck mine. But given the powerful counterissues at play – investor confidence in Canada, jobs and tax revenues, and an increasingly angry Alberta – the Trudeau government was unlikely to muster a definitive no this week, either.

This is especially true because Teck had buy-in from the 14 Indigenous communities closest to the project – including the Athabasca Chipewyan First Nation, whose Chief Allan Adam once went on tour with Neil Young and David Suzuki to campaign against further oil sands development. The benefits that might have flowed to those Indigenous communities are gone, and no one is going to invest in another oil sands mine

while a new condition, or an election, or a protest, could throw an entire project's viability into question. Teck was the last of the oil sands megaprojects that had a chance – however slim from an economics point of view – of being built.

The Teck letter doesn't let Alberta off the hook, either. The province could help its case by dropping its legal challenge to Ottawa's backstop for a consumer carbon tax, however politically unlikely that now is, since the province racked up a legal victory on the question on Monday.

Yes, the United Conservative Party campaigned on scrapping the carbon tax and protecting provincial jurisdiction. But even Jason Kenney has to know there is value to a consumption tax, and there are much bigger fish to fry – including incentivizing its emissions-heavy oil sands industry to innovate itself greener.

However, the Alberta Premier is right that killing a Canadian project does nothing to slow global demand for oil, and the United States, Russia or Saudi Arabia will be more than happy to step in to produce the product however long the world continues to use oil. The Teck decision, after almost a decade of regulatory review, is a heavy blow to any hope for Alberta's economic recovery. And although the Teck project was dependent on higher oil prices and pipelines to market, its letter is likely to send a chill down the spine of any political or business leader who wants to get a major project approved or built.

The Canadian oil and gas industry is also aware that Ottawa will still approve other oil projects in this country: China National Offshore Oil Corp. (CNOOC) got approval for exploration drilling offshore of Newfoundland and Labrador less than two months ago.

Albertans have good reason to be suspicious that the federal Liberals care little for their economic interests, and will simply continue to portray this as a business decision by Teck. The terse statement from Canada's environment and natural resources ministers released Monday morning could not summon any lament, or even a mention, of the jobs that will never come to pass.

The statement from the two ministers talks about needing "a real plan for climate action," but avoids an obvious takeaway from the Teck letter: That a major oil-producing country has yet to craft coherent policy on whether its largest oil resource – the oil sands – will be allowed to grow, or not.

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